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April 17, 2019

AHS Medicaid Policy Unit 280 State Drive, Center Building Waterbury, VT 05671-1000

Submitted via e-mail to AHS.MedicaidPolicy@vermont.gov

Thank you for this opportunity to comment on the impact of the proposed changes to the Medicaid fee schedule for Clinical Diagnostic Laboratory prices.

Established in 1986, Bi-State Primary Care Association (Bi-State) is a nonpartisan, nonprofit 501(c)(3) charitable organization that promotes access to effective and affordable primary care and preventive services for all, with special emphasis on underserved populations in Vermont and New Hampshire. Bi-State's Vermont membership includes 12 Federally Qualified Health Centers (FQHCs) delivering primary care at 64 sites and serving over 177,000 Vermonters. Our members also include Area Health Education Centers, Grace Cottage Rural Health Clinic, Planned Parenthood of Northern New England, and Vermont's free clinics.

The FQHC system exists to ensure that all Vermonters have access to primary and preventive care, regardless of ability to pay or insurance status. Our members serve 37-percent of Vermont Medicaid enrollees and 32-percent of Vermont Medicaid enrollees. Within their total payer mix, 27-percent is Medicaid and 19-percent is Medicare. Changes to Medicaid payments have a significant impact on our members' revenue stream.

According to our data, our members regularly perform test 80305, one of the procedures listed for a fee change. FQHC's received approximately half of DVHA's payments for this procedure in 2018, or \$177,000. We estimate the annual impact of the new fee schedule at more than \$11,300. The member most affected by the change estimates a revenue loss of \$2,350.

This specific change to 80305 does not cause significant financial harm when taken singularly. However, FQHCs perform thousands of services every year that receive Medicaid reimbursement, and accumulated reductions across these services will have an impact over time. We thank DVHA for the opportunity to comment on fee changes, and to keep you informed of the impact on our ability to serve Vermonters.

Sincerely,

Helen Labun, Vermont Public Policy Director, Bi-State Primary Care Association